

Recycling center closures catching up with Monterey Peninsula businesses

By Carly Mayberry, *Monterey Herald*

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Monterey County >> Not complying with state recycling laws has recently become very costly for some Monterey Peninsula grocers, convenience stores and markets.

That's because the state of California is ready to collect its money from those businesses that either did not agree to, or just disregarded the option they had to provide in-store redemption to customers in order to meet state requirements. That's after many of California's (and the Peninsula's) rePlanet recycling stations shut down rather suddenly early last year due to the steady decline in recyclable materials commodity prices in recent years. If not, they would be required to pay a \$100-per-day opt-out fee. These were the choices provided to those businesses that did not have a recycling center within a half-mile radius.

Now, after notices and a 90-day extension from CalRecycle, the agency is ready to collect what's past due, which for some smaller mom and pop businesses is too much for their profits to cover.

"I've heard from several small retailers who suddenly received a bill for \$2,800 from the state of California that are invoices forthcoming for February through June," said Jeff Lindenthal, director of communications and sustainability for the Monterey Regional Waste Management District. Lindenthal said that some retailers indicated the paper work they received from CalRecycle came from out of the blue.

"It's an extremely unfortunate situation," he said. "What's most frustrating to us is that there seems to be no work by the state to provide new centers."

It was back in February 2016 that rePlanet laid off 278 employees.

At the time, China was driving the demand for plastics, paper and scrap metal but when that country's economy began to slow in 2014, demand dropped.

Others like Ted Terrasas, the sustainability coordinator for the city of Monterey, noted the effects of fluctuating oil prices on the decline.

"When oil goes down, the cost of recyclables aren't worth as much," said Terrasas.

According to Mark Oldfield, communications director for CalRecycle, there were approximately 2,200 certified recycling buy-back locations in the state two or three years ago. Now, he said there are approximately 1,680.

"The Monterey Peninsula was one area hit hard by the closures," said Oldfield.

"We lost five of seven centers that were operational," added Lindenthal. "We lost the majority of recycling centers that served the public while most also covered the convenience zone recycling requirement." The two local centers that remain are one located behind Costco in Sand City and another at the Last Chance Mercantile located at the Monterey Regional Waste Management District in Marina.

While Oldfield said he sympathizes with the plight of smaller businesses having to adjust to the inconvenience, he also said they were given the appropriate time to make a choice.

“Certainly we recognize the strain this puts on a retailer — the mom and pop shops may not have the resources to pay that fee,” said Oldfield. “At the same time, we have to do what is provided by the current statute. When retailers don’t select an option, the result is to pay the fee.”

But for some retail grocers, the choice to avoid fines and instead accept recyclables, would mean a risk to their health and food safety requirements — and that’s not an option either.

“For us, because of the health risks of bringing dirty containers into the store where we sell fresh food, it isn’t an option,” said Nannette Miranda, a spokeswoman for Lucky Stores. “We just don’t believe our customers want their food in the same area as recyclables.”

Miranda said storing them in the back of local Lucky supermarkets also doesn’t make sense because that’s where they store their fresh food supply.

So instead, Miranda said the supermarket chain opted to swallow the large fines.

“We have 58 stores right now being fined,” said Miranda of the chain, which includes Food Maxx, Save Mart and Lucky Stores — three of which are located on the Monterey Peninsula.

“We’re talking about \$2 million a year for all 58 stores out of compliance,” said Miranda. “It’s painful.”

The requirement is also despite recycling legislation in the 1980s that intended for grocery stores to be the last choice when it came to serving as recycling locations. Still, they were deemed a possible location.

“That does leave the retailers as the recyclers of last resort,” noted Oldfield. “That was the grand bargain when this program was first enacted.”

While Oldfield said there is some state legislation in the works that would help relieve the situation, Terrasas said the city is trying to help stores get in compliance while figuring out what CalRecycle needs and also serving the public.

“I’m hoping they can possibly contact CalRecycle and actually get something in the store that might be able to decrease or reverse the payment,” said Terrasas. “But what makes it tough at this point is that they’ve been given a lot of notice and now we’re into the penalty phase.”

Terrasas also noted that at one time, California’s recycling program was quite effective.

“It’s been a great program — it was just sort of a perfect storm last year but overall, this was a great model of a program and at one time was working very well,” said Terrasas. “The main thing is that the state is going to have to work with these recycling companies and figure out a price point. So I think it’s a matter of setting up the economics for the places to come back.”

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